

**ASSEMBLY BILL**

**No. 1411**

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**Introduced by Assembly Member DeVore**

February 22, 2005

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An act to add Section 734.5 to the Public Utilities Code, relating to telephone corporations.

LEGISLATIVE COUNSEL'S DIGEST

AB 1411, as introduced, DeVore. Telephone corporations: reimbursement of overcharges.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including telephone corporations. Existing law authorizes the commission to fix the rates and charges for every public utility, and requires that those rates and charges be just and reasonable.

This bill would require that a telephone corporation that erroneously bills and collects charges in an amount greater than those authorized by the commission, upon the request of the consumer that paid the overcharge, reimburse the consumer for the overcharge, along with interest at the rate of the percentage change in the Consumer Price Index for the previous 12 months, plus 1%.

Under existing law, a violation of the Public Utilities Act is a crime.

Because the provisions of this bill would be a part of the act, the bill would impose a state-mandated local program by creating a new crime.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 734.5 is added to the Public Utilities
- 2 Code, to read:
- 3 734.5. Every telephone corporation that erroneously bills and
- 4 collects charges in an amount greater than those authorized by
- 5 the commission, upon the request of the consumer that paid the
- 6 overcharge, shall reimburse the consumer for the entire amount
- 7 of the overcharge, along with interest at the rate of the percentage
- 8 change in the Consumer Price Index for the previous 12 months,
- 9 plus 1 percent.
- 10 SEC. 2. No reimbursement is required by this act pursuant to
- 11 Section 6 of Article XIII B of the California Constitution because
- 12 the only costs that may be incurred by a local agency or school
- 13 district will be incurred because this act creates a new crime or
- 14 infraction, eliminates a crime or infraction, or changes the
- 15 penalty for a crime or infraction, within the meaning of Section
- 16 17556 of the Government Code, or changes the definition of a
- 17 crime within the meaning of Section 6 of Article XIII B of the
- 18 California Constitution.